

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:4634

ANSWERED ON:25.04.2008

EDUCATION LOAN

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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has any proposal to subsidize the interest component on education loans given to students for higher professional education during the moratorium period;
- (b) if so, the details thereof;
- (c) whether the Government also proposes to extend some concessions to families having annual income of 2.5 lakhs and their wards pursuing professional education in this regard;
- (d) if so, the details thereof;
- (e) whether the Government has Issued any guideline/direction to Banks for expeditious sanction of the education loan; and
- (f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI PA WAN KUMAR BANSAL)

(a), (b), (c)

(e) & (f): In the guidelines for the Model Education Loan Scheme circulated by the IBA, it is specified that loan applications should normally be disposed of within a period of 15 days to one .month.